



APR 20 1938  
C82  
cop 2

## MARKETING QUOTAS FOR COTTON?

Facts Cotton Producers Should Keep in Mind as They Vote in the March 12 Referendum:

### *The Cotton Situation—*

1. The 1937-38 world supply of all cotton was 50,600,000 bales, the largest on record.
2. The 1937 American cotton crop was 18,700,000 bales, the largest on record.
3. This year's supply of American cotton, which is almost 35 percent above normal, has been exceeded only twice in history.
4. The carry-over of American cotton on next August 1 is expected to be the second largest on record.
5. A 1938 cotton crop, even 4,000,000 bales less than the 1937 crop, would result in the greatest supply of American cotton on record.

*Marketing quotas would bring the supply of American cotton to a more reasonable level, but the supply next season would still be far above normal.*

### *How Cotton Marketing Quotas Would Operate—*

1. Each cotton farm would have a cotton-acreage allotment.
2. Marketing quotas in 1938 would neither increase nor decrease the cotton acreage allotment of a farm.
3. The marketing quotas would be either the actual or normal production of the acreage allotment, whichever is greater.
4. No matter how high the yield, all cotton produced on the acreage allotment could be sold without penalty.
5. Marketing quotas will become effective only if approved by two-thirds of the cotton producers voting in the referendum on March 12.

## Cotton Marketing Quotas, If in Effect, Will Mean:

### *If You Plant Within Your Acreage Allotment—*

1. You will be eligible to receive agricultural-conservation payments.
2. You will be eligible to receive cotton-price-adjustment payments on 1937 cotton.
3. You will be eligible for a loan on all cotton you produce in 1938.
4. You and other cooperating producers will be protected in your efforts to adjust supplies.

### *If You Should Overplant Your Allotment—*

1. You would not receive any agricultural-conservation payments.
2. You would not receive any cotton-price-adjustment payments on 1937 cotton.
3. You would not be eligible for a loan on the cotton produced on your acreage allotment. (Loans on excess cotton would be at 60 percent of the rate to cooperators.)
4. You would have to pay a penalty of about \$10 a bale on cotton marketed in excess of your quota.

*Every 1937 cotton producer should express himself by voting "Yes" or "No," whichever he wishes, on the question, "Do you favor cotton-marketing quotas for the 1938 crop?"*

**VOTING DATE—MARCH 12, 1938**

